

Agenda Item 5(a)(2)
April 26/22 EOC Meeting

Re-Engagement/Re-Launch of CAFII Working Group on Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits To Assess Need For Reply and/or Action(s) In Response To AMF's April 1/22 Feedback Letter To The Industry On December 17/21 Action Plans

CAFII Working Group on Compliance With AMF's Expectations Re RADM's Applicability to Credit Card-Embedded Insurance Benefits

Proposed Agenda --Thursday, 21 April, 2022 (3-4pm)

1. Welcome and thanks to Working Group Members for participating today (Jennifer Russell, Chair)
2. Review of the letter from the AMF regarding members' Action Plans (Jennifer Russell, Keith Martin);
3. Confirmation that members are not distributing Fact Sheet / Notice of Rescission at this time (Keith Martin/all);
4. Request from a member to review how to meet AMF's expectations around Phone Channel (Penny Corogiannis, all)
5. Other Business / conclusion of meeting (Jennifer Russell)

Background Information on AMF Expectations around Action Plans and Phone Channel

From: Cordogiannis, Penelope (She/Her/Hers) <penelope.cordogiannis@rbc.com>

Sent: April 19, 2022 10:45 AM

To: Keith Martin <Keith.Martin@cafii.com>

Cc: Johnston, Susan <susan.johnston@rbc.com>; Brendan Wycks <brendan.wycks@cafii.com>; Kasperski, Karyn <karyn.kasperski@rbc.com>; Cordogiannis, Penelope (She/Her/Hers) <penelope.cordogiannis@rbc.com>

Subject: RE: Meeting of the CAFII Working Group on Compliance With AMF's Expectations Re RADM's Applicability to Credit Card-Embedded Insurance Benefits--Discussion of Letter from AMF on Members' Action Plans

Hi Keith,

We were hoping to raise the issue around 'delivery' given the information that came out of the meeting with the AMF in January (I've copied relevant sections from the notes CAFII shared below).

I'm not sure how much others are willing to share in a meeting or if these questions would be better shared via email anonymously.

One of the challenges we are having is with the mailing of the product summary in cases where a client consents to receiving it at a later time (specifically for clients calling through to our call centre). We do not have room in our credit card fulfilment package to include them (we believe this was also an issue with other members), and sending out separately is logistically challenging.

Assuming, 1) clients consent to receiving the product summaries later, and 2) we go over the contents of the product summary with the client to aid them in making their decision at the time of offer, *is anyone still considering providing the customer with a link to where they could locate a printable/savable version of the document rather than physically mailing the document? Is anyone considering email as a solution?*

One of the potential solutions we're considering is including additional language in the fulfillment package (card carrier or other existing insert) that states something to the effect of: *To print or save a copy of the Product Summary, please refer to this link.* At this point the client would've already decided on their card, there's no penalty to cancel the card, and would be receiving the insurance certificate anyway which is the ultimate document the client will need. Note: the client could also be directed to the link while on the phone to review the summary along with the agent.

Below is an excerpt from the discussion CAFII held with the AMF on January 19th where this was discussed. At first glance, we didn't feel the AMF would consider the proposed solution. However, given that their criteria would be met (printable/savable, current link that is monitored to not be stale dated, summary read to the client, consent granted), and given their expressed willingness to work with the industry, *is this type of approach something other members are considering?*

Thank you,
Penny

From the CAFII communication regarding highlights of the meeting held with the AMF on January 19th.

Mr. Beaudoin elaborated on this point, stating that *simply telling/directing the consumer as to where to find the Product Summary is not good enough.* What's required is direct and active, not passive, delivery of the Product Summary; and *the onus should not be placed on the customer to find it.* And *even when a sale is completed in person, the Product Summary cannot just be handed over to the customer and left at that,* it must be described and explained as well. This is not a legal disclosure; it is a way to help the customer make the right decision, Mr. Beaudoin stressed.

In that connection, Mr. Beaudoin expressed the AMF's concern about some companies' Action Plan-stated *intention to merely provide an internet customer with a link/URL to the Product Summary on the insurer's website,* opining that "the information posted at internet links often quite rapidly becomes outdated and incorrect."

However, in response to a question from Brendan Wycks, Mr. Beaudoin indicated that the *AMF would be open to further discussion/negotiation about the use of internet links to fulfil the Product Summary disclosure obligation, if the link was to a PDF and there was a commitment on the regulated entity's part to constantly monitor the link and the related PDF to ensure that they are always functional and up-to-date.*

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